

State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

5/047/069 X

Michael O. Leavitt Governor David T. Terry Director 675 East 500 South, Suite 500 Salt Lake City, Utah 84102-2818 801-538-5100 801-355-0922 (Fax) http://www.trustlands.com

July 18, 2000

Building Mail

Anthony Gallegos Senior Reclamation Specialist Division of Oil, Gas & Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114

RE: Your Letter of July 12, 2000;

Ave Jiron Mine #1, S-047-069; ML 48069-MP Ave Jiron Mine #3, S-013-005; ML 48322-OBA

Dear Mr. Gallegos,

Trust lands mineral materials permit ML 48069-MP was issued to Ave Jiron, beginning October 1, 1998, and will expire on September 30, 2000. No assignment of the permit has been approved and Mr. Jiron has not designated any other operators to the Trust Lands Administration. The Trust Lands Administration does not recognize any rights of Mr. Larry Farnsworth or United Stone Design to operate upon the lands within the permit.

Trust Lands mineral materials permit ML 48322-OBA was issued to United Stone Design, beginning September 7, 1999, and will expire September 7, 2000. Only United Stone Design and its officers or employees are authorized to operate upon the lands within this permit.

Sincerely.

John T. Blake

Mineral Resources Specialist

CC: Larry Farnsworth